

A regular meeting of the **Michigan Public School Employees Retirement System Board** was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Wednesday, July 11, 2013. The following members, staff, and observers participated:

Members Present: Stephen Epstein, General Public Member, Investment Experience  
 Michael Flanagan, Superintendent of Public Instruction  
 Scott Koenigsknecht, Active Superintendent Member  
 Timothy Nelson, Community College Administrator/Trustee  
 Member  
 John Olekszyk, Retiree Member  
 Kevin Philipps, Representing Finance/Operations, non-Superintendents  
 Michael Ringuette, General Public Member, Actuarial Experience  
 Larry Ward, Reporting Unit Board of Control Member

Staff Present: Phil Stoddard, Executive Secretary  
 Chanda Donnan, Recording Secretary

Others Present: Mark Guastella of the Michigan Association of Retired School Personnel; Judy Foster, Margaret Schroeder, Dan Rudd, and Earl Hagstrom of MEA-Retired; Lisa Eggert of Delta Dental; Virginia Gibson, and Ben Louagie of Gabriel Roeder Smith and Co.; Janet Truant of Catamaran; Carol Nolan of EyeMed; Branko Bojicic and Patricia Soyemi of BCBSM; Richard Williams of Williams and Company; Andrea Robinson of Priority Health; Ellen Halis of CSI for Coalition for Secure Retirement; Laurie Hill and Chelsea Locke of the Office of Retirement Services; Patrick Fitzgerald of the Office of Attorney General.

## Call to Order

Vice Chair John Olekszyk called the meeting to order at 10:33 a.m.

## Excusing of Absent Members

Stephen Epstein moved, Larry Ward supported, to excuse the absences of Ivy Bailey, Jonathon Fielbrandt, and Charles Thomas. The motion carried unanimously.

## Approval of Agenda

Scott Koenigsknecht moved, Michael Ringuette supported, to remove item 9.C. and approve the agenda. The motion carried unanimously.

## Approval of Minutes

Michael Ringuette moved, Stephen Epstein supported, to approve the regular and executive session meeting minutes of June 5, 2013. The motion carried unanimously.

## Board Elections

Executive Secretary Phil Stoddard asked the Nominating Committee for nominations for the office of chair. Michael Ringuette, on behalf of the Committee, recommended Scott Koenigsknecht for the office of chair. Mr. Stoddard asked if there were other nominations from the floor. Being none a ballot was cast for Scott Koenigsknecht for the office of chair and approved unanimously.

Chair Scott Koenigsknecht asked the Nominating Committee for nominations for the office of vice chair. Michael Ringuette, on behalf of the Committee, recommended John Olekszyk for the office of vice chair. Chair Koenigsknecht asked if there were any other nominations from the floor. Being none a ballot was cast for John Olekszyk for the office of vice chair and approved unanimously.

## Application Extension Requests for the Board's Consideration

Michael Ringuette moved, John Olekszyk supported, that the Board grant requests 1-4 as presented in the Supplemental Information to the Agenda 8.A. 1-4 for an extension of time to apply for a non-duty disability retirement allowance under MCL 38.1386 on the basis that "extenuating circumstances" have been established to the satisfaction of the Board. The motion carried unanimously.

## Administrative Hearings

### Proposal for Decision -- Docket 2013-000374 ORS

The Board considered the case materials. Michael Ringuette moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the May 7, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-

duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

Proposal for Decision – Docket 2012-001696 ORS

The Board considered the case materials. John Olekszyk moved, Michael Ringuette supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 26, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

Proposal for Decision – Docket 2012-001560 ORS

The Board considered the case materials. Michael Ringuette moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 28, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

**New Business**

Resolution for Board consideration and approval

John Olekszyk moved, Mike Flanagan supported, that the Board adopt the Resolution honoring Diana Osborn as presented. The motion carried unanimously.

Pontiac School District Non-Payment

John Olekszyk moved, Michael Ringuette supported, to approve the notice to the Superintendent of Public Instruction and the State Treasurer to withhold state school aid from Pontiac City School District until all amounts due have been collected, as authorized under MCL 38.1342. The motion carried with one abstention.

**Standing Reports**

Legislative Summary

The Board received the current report.

### Health Insurance Committee Report

Ben Louagie of Gabriel, Roeder, Smith & Company provided an updated presentation and recommendation to address the cost gap for the Board's consideration.

Michael Ringuette moved, Michael Flanagan supported, that the Board accept the recommendation of the Health Insurance Committee in its entirety and update the plan in accordance with the presentation by expanding the Living Well program, continuing to offer high quality health plan options through alternative health plans, adjusting the medical deductible and the prescription drug minimum and maximum to reflect inflation, maximizing the System's and member's purchasing power through the use of Delta Dental PPO network, and updating the policy language as proposed.

### **Executive Secretary Comments**

Phil Stoddard thanked the groups involved in reviewing the proposed 2014-15 health care initiatives. He also thanked Gabriel, Roeder, Smith & Company and ORS staff for their hard work in developing and implementing the initiatives.

### **Board Comments**

John Olekszyk thanked Phil and ORS for their early action on the initiatives package to allow ample time to ramp up and be ready when they take effect.

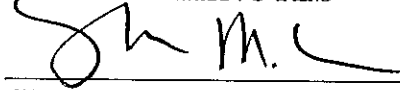
### **Public Comments**

Comments were received from Mark Guastella and Earl Hagstrom.

### **Adjournment**

Larry Ward moved, Kevin Philipps supported, that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 11:44 a.m.

OFFICIAL MINUTES



Chair



Executive Secretary